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UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
2006 WASHINGTON BOULEVARD BUILDING
234 STATE STREET
DETROIT, MICHIGAN 48226

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DEC 21 1973



Commanding Officer
Naval Station
Anch, Alaska

Dear Sir:

As part of our continuing review of the Navy's financial management system, we sample transactions in disbursing officers' accounts. We examined 564 military pay records and 292 travel and miscellaneous vouchers in your disbursing officer's accounts and found one or more errors on 152--an error rate of 24 percent. These errors, summarized in the appendix, resulted in overpayments, underpayments and incorrect leave balances.

Our findings indicate a particular need for more proficiency in preparing and paying travel claims-- 34 percent of the military and 50 percent of the civilian travel vouchers contained errors. The major problem areas are described below.

- Meal deductions were made incorrectly-- primarily at permanent duty stations or while in flight. See paragraphs M4254-2 and 3, JTR.
- Per diem was not paid for travel between stations. In most cases, per diem was not paid for the day the member arrived at the new duty station. See paragraph M4253-4, JTR.
- Per diem rates for overseas military travel were other than rates prescribed by paragraphs M4253-3 and 4, JTR.
- Incorrect per diem rates were used for civilian overseas travel. The domestic or foreign rates were used rather than the \$6 rate established by paragraph C8101-36(4), JTR, for travel periods of 6 hours or more.

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Leave accounting also appears to be a problem. Many errors resulted from incorrect computations of leave earned by members who entered on active duty or were discharged and reenlisted.

We were unable to pinpoint responsibility or determine specific causes of the errors since our review was limited to records at the Navy Finance Center, Cleveland. However, we believe travel voucher errors could be substantially reduced if disbursing personnel became more familiar with the Joint Travel Regulations and were more careful in performing routine tasks. The other errors could be reduced by better verification and supervisory reviews.

We are bringing this information to your attention so you can take action to preclude future errors. To assist you, we are enclosing information copies of our informal inquiries. We would appreciate your comments on the causes and actions taken. Please let us know if you need additional information.

Sincerely yours,
C. H. MOORE

C. H. Moore
Regional Manager

Enclosures--2

Appendix

Copies of informal inquiries (11)

cc: Comptroller of the Navy (NCD-3)
Comptroller of the Navy (NCF-4)
Commanding Officer, Navy Finance Center, Cleveland
Commanding Officer, Navy Regional Finance Center,
San Francisco
Director, Naval Area Audit Service, San Francisco

U. S. GENERAL ACCOUNTING OFFICE
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APPENDIX
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U. S. NAVAL STATION
ADAK, ALASKA

EXTENT OF ERRORS

TYPE OF RECORD	TOTAL	REVIEWED	ERRORS	RECORDS WITH ERRORS	
				Number	Percent
Military travel vouchers ^a	675	248	110	85	34
Civilian travel vouchers ^a	72	36	27	18	50
Miscellaneous vouchers ^a	8	8	0	0	-
Military pay records ^b	1,774	354	55	49	14
Totals	2,529	646	192	152	24

SUMMARY OF ERRORS

TYPE OF ERROR	NUMBER	OVERPAYMENT	UNDERPAYMENT
<u>MILITARY TRAVEL VOUCHERS</u>			
<u>Per Diem</u>			
Meals/quarters - deductions	35	\$ 236.79	\$ 39.99
Not paid while en route between stations	33		293.62
Wrong rate	16	112.91	19.55
Not entitled - reported early for TAD	1	14.00	
Constructive travel	1	4.46	
Computation	1		4.50
<u>Mileage</u>			
Incorrect distance	12	146.19 ^c	49.56
Wrong terminal points	3	145.40	18.30
Not entitled - transportation request issued	2	77.13	
Mixed travel	2	58.14	

^aSelected from July through October 1972 and December 1972 accounts

^bSelected from pay records closed December 31, 1972

^cOne Pay Adjustment Authorization for \$13.59 was issued by NPC,
Cleveland

<u>TYPE OF ERROR</u>	<u>NUMBER</u>	<u>OVERPAYMENT</u>	<u>UNDERPAYMENT</u>
<u>MILITARY TRAVEL VOUCHERS (cont'd.)</u>			
<u>Dependent's Travel Allowances</u>			
Unauthorized - ineligible stepchild or under age limit	2	\$ 80.22 ^d	
Not paid for eligible child	1		\$ 63.33 ^d
<u>Other</u>			
Miscellaneous expense - not authorized full insurance on rental car	1	4.00	
Subtotal	110	\$ 877.24	\$ 488.85
<u>CIVILIAN TRAVEL VOUCHERS</u>			
<u>Per Diem</u>			
Wrong rate	15	\$ 116.45	\$ 27.50
Excess travel time	2	76.00	
Quarters - deduction	1		5.40
<u>Dependent's Travel Allowances</u>			
Per diem - wrong rate	3	29.00	59.75
Per diem - not entitled on first duty station, separation or renewal travel	3	163.00	
Per diem - computation	1	3.12	
<u>Other</u>			
Temporary quarters subsistence expense - not entitled on assignment to first duty station	1	404.57	
Miscellaneous expense - not entitled on assignment to first duty station	1	100.00	
Subtotal	27	\$ 892.12	\$ 92.65

^dPay Adjustment Authorizations were issued by NPC, Cleveland in the amounts of \$68.64 and \$63.33